

states, limiting our ability to use the United Nations to advance vital U.S. interests, and setting back the efforts or reform that Ambassador Holbrooke did so much to move forward.

It is my hope that, before the end of this fiscal year, Congress will lift the cap on U.S. assessed contributions to international peacekeeping efforts. Doing otherwise will be a lost opportunity.

Mr. MCCAIN. Mr. President, I am pleased the Senate will vote today to release \$582 million in U.S. arrearages to the United Nations. In 1999, Congress mandated a series of reform benchmarks for the United Nations to meet in order for the United States to release funds we were withholding. One requirement related to reform of the scales for peacekeeping assessments by member nations, which were created in 1973 to fund the Sinai mission and have been in place ever since. As we move today to release the so-called Tranche II funds for the U.N. under the terms of the Helms-Biden law, I commend my colleagues for their work on this issue and note the efforts of Ambassador Richard Holbrooke and the American mission to the United Nations that made this progress possible.

Over the years, the United Nations and its subsidiary bodies have supported U.S. humanitarian interests in a number of ways, performed peacekeeping missions important to the security of our nation and our allies, and provided a useful forum for developing consensus among nations, as demonstrated by former President Bush's extraordinarily successful coalition-building to repel Saddam Hussein's 1990 invasion of Kuwait. But U.N. accomplishments cannot hide the fact that the U.N. bureaucracy must be totally reformed from top to bottom.

As Ambassador Holbrooke recently told the Foreign Relations Committee, "I leave my position as confident as ever that the United Nations remains absolutely indispensable to American foreign policy. . . . But at the same time, I am even more convinced that the U.N. is deeply flawed, and that we must fix it to save it." Our vote today to pay \$582 million in U.S. arrearages reflects this philosophy. I expect close Congressional scrutiny of United Nations operations and administration to spur additional and much-needed reforms. And I look forward to a continuing debate in this body over the level of U.S. contributions for U.N. peacekeeping, which requires additional review and may call for further Congressional action.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the passage of the bill.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will read the bill for the third time.

The bill (S. 248) was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. Announce that the Senator from Georgia (Mr. INOUE) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 10 Leg.]

YEAS—99

Akaka	Dorgan	Lugar
Allard	Durbin	McCain
Allen	Edwards	McConnell
Baucus	Ensign	Mikulski
Bayh	Enzi	Miller
Bennett	Feingold	Murkowski
Biden	Feinstein	Murray
Bingaman	Fitzgerald	Nelson (FL)
Bond	Frist	Nelson (NE)
Boxer	Graham	Nickles
Breaux	Gramm	Reed
Brownback	Grassley	Reid
Bunning	Gregg	Roberts
Burns	Hagel	Rockefeller
Byrd	Harkin	Santorum
Campbell	Hatch	Sarbanes
Cantwell	Helms	Schumer
Carnahan	Hollings	Sessions
Carper	Hutchinson	Shelby
Chafee, L	Hutchison	Smith (NH)
Cleland	Inhofe	Smith (OR)
Clinton	Jeffords	Snowe
Cochran	Johnson	Specter
Collins	Kennedy	Stabenow
Conrad	Kerry	Stevens
Corzine	Kohl	Thomas
Craig	Kyl	Thompson
Crapo	Landrieu	Thurmond
Daschle	Leahy	Torricelli
Dayton	Levin	Voinovich
DeWine	Lieberman	Warner
Dodd	Lincoln	Wellstone
Domenici	Lott	Wyden

NOT VOTING—1

Inouye

The bill (S. 248) was passed, as follows:

S. 248

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMITATION ON THE PER COUNTRY SHARE OF ASSESSMENTS FOR UNITED NATIONS PEACEKEEPING OPERATIONS.

(a) IN GENERAL.—Section 931(b)(2) of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (as enacted by section 1000(a)(7) of Public Law 106-113 and contained in appendix G of that Act; 113 Stat. 1501A-480) is amended by striking "25 percent" and inserting "28.15 percent".

(b) CONFORMING AMENDMENT.—The undesignated paragraph under the heading "ARREARAGE PAYMENTS" in title IV of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999 (as contained in section 101(b) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; 112 Stat. 2681-96) is amended by striking "25 percent" and inserting "28.15 percent".

Mr. SHELBY. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. SHELBY. Mr. President, I ask unanimous consent that the Senate now be in a period of morning business with Senators speaking therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX CUT DEBATE

Mr. DASCHLE. Mr. President, as the tax cut debate begins in earnest this week, I would like to commend to my colleagues' attention two editorials that appeared in separate South Dakota newspapers this week, the Pierre Capital Journal and the Madison Daily Leader. Both of these opinion pieces give an excellent explication of this year's budget and tax cut debate and responsibly advocate a tax cut while paying down the national debt. In so doing, each reminds us that beyond the Beltway and across the country the American public can see through the often overheated rhetoric of political debate and focus on the bottom line priority of maintaining the fiscal responsibility that forms the foundation of the economic recovery of the 1990's.

As these editorials underscore, balance between tax cutting and debt reduction should be a central principle of the tax and budget debate. While Congress should and will pass a significant tax cut this year, it must also make sure that we pay down the national debt and address budget priorities like education, defense and healthcare. And so I commend Dana Hess of the Pierre Capital Journal and Jon Hunter of the Madison Daily Leader for their exceptional pieces advocating a tax cut within the parameters of sound fiscal policy. Their words should give us all pause for thought.

I ask consent that these editorials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Madison Daily Leader]

PAYING OFF NATIONAL DEBT WILL YIELD GREAT RESULTS

(By Jon Hunter)

Federal budget surpluses are now reducing the massive federal debt after two decades of rapid growth. The benefits of such debt reduction will be broad and long-lasting.

The surpluses are so strong that the United States Treasury announced it will stop issuing one-year Treasury notes at the end of February. Why borrow money for one year when cash receipts outweigh expenses every day?

The change will permit the government to eliminate roughly \$20 billion in debt issuance in the current fiscal year. Treasury had already eliminated sales of three-year and seven-year notes.

The changes mean lower interest payments on the national debt but also pose a challenge for investors because there is a dwindling supply of Treasury securities, considered the world's safest investment.

Even this potential challenge will be good for the U.S., in our opinion. Investors who now own maturing one-year bills will have to find other places to invest, and the most logical place is short-term, high-quality corporate notes. The demand will drive down

borrowing costs for corporations, which would be similar to an interest-rate cut by the federal reserve.

It makes sense to pay down the debt in an orderly fashion. If Treasury tried to pay off the existing longer-term bonds, it would have to buy them back at a high premium. That's why Fed Chairman Alan Greenspan said last week that since surplus estimates are growing, he would support both debt reduction and a tax cut.

On Tuesday, the Congressional Budget Office (headed by former Madison resident Dan Crippen) projected that the overall budget surplus would be \$5.6 trillion over the decade, up from the \$5 trillion bounty projected by the Office of Management and Budget near the end of the Clinton administration.

In the early 1990s, the combination of a huge budget deficit and higher interest rates were a drain on our economy. Just the interest on the federal debt was consuming about one-seventh the entire federal budget.

We will soon experience the opposite effect: lower interest payments will free up money for tax cuts or funding for programs. Provided Congress makes good decisions about the tax cuts or spending, both will provide excellent long-term benefits for America.

[From the *Pierre Capital Journal*, Feb. 1, 2001]

PAYING DEBT SHOULD HAVE HIGHEST
PRIORITY
(By Dana Hess)

Maybe it's his Texas roots that cause President George W. Bush to think big. Or maybe he's just generous. Whatever the reason, the president is pushing for a \$1.6 trillion tax cut over 10 years.

Bush pushed the tax cut idea throughout his campaign for office, even though polls showed that it was getting a lukewarm reception from the public. Give him marks for consistency because Bush still insists that the tax cut needs to happen.

We generally support the idea of the federal government getting less of our money. After making such a mess of the budget for so many years, it stands to reason that the less money our representatives have to work with, the less likely they'll be to get into trouble with it.

Bigger and bigger budget surplus projections are giving Bush and everyone else in Washington, D.C., big ideas about what to do with the money. It's a politician's dream come true—enough money to offer tax cuts and promote new spending.

We would hope that the years of deficit spending in Washington would have taught lawmakers to be cautious when it comes to spending our money. No one seems to have learned that lesson.

As much as we'd like to see taxes cuts, there are a couple of good reasons why Bush and our lawmakers should slow down.

The surplus exists, in a large part, because of the booming economy our country has enjoyed. If that economy goes sour—and indications are that it may be ripening a little more every day—then the projections of a big surplus will turn out to have as much truth as the fears about the millennium bug.

With all the talk of surpluses and tax cuts, it's easy to forget that there's still a debt to pay. Taking care of that obligation should have a higher priority than trying to win the favor of voters with tax cuts and new programs.

We know they're famous for doing things in a big way in Texas. But this nation has a Texas-sized debt. The president should make sure his plan places just as high a priority on paying down the debt as it does on tax cuts and spending plans.

THE PRESIDENT'S TAX CUT
PROPOSAL AND THE BUDGET

Mr. NELSON of Florida. Madam President—that has a nice ring to it—it is a privilege for me to take the floor and speak on an unrelated subject but a subject that is of considerable importance to the country and to the decisions we will be making very shortly. That is the adoption of a budget and the decision in that budget of how large the tax cut should be.

Just in the last 24 hours, we have seen a consequence of the tax cut that now is proposed by the administration that is soaring upwards of \$2.5 trillion over the next 10 years, a tax cut that the fiscal effect of \$2.5 trillion would be so large as not only to wipe out all of the available surplus over the next 10 years, but to cause us to suddenly plunge back into deficit spending.

We see a consequence of this in the last 24 hours in the fact that the administration is now not proposing to increase the defense budget. Personally, I think we should be looking at a minimum of increasing the defense budget over the next decade to the tune of \$100 billion.

The administration, now recognizing that its tax cut is going to absorb all of the available surplus, has just, in the last 24 hours, laid out the fact that it will not ask for an increase in the defense budget. When that occurs, I am quite concerned about our existing troops and what their pay is, the fact that there would be no increase for maintenance and operating costs, such as spare parts and rising fuel costs, a part of the defense budget that is absolutely essential to keeping our existing systems and equipment ready in case they have to be deployed, and the sufficient allocation of fuel so that our troops can have the proper training that is essential to their readiness.

I can tell you there are a lot of pilots out there right now whose morale is pretty low because they don't feel as if they are getting enough flying hours, so that if the call comes and they have to go abroad to defend this country—particularly the pilots who are flying these precise pinpoint missions, not even to speak of the ones who have to engage in aerial combat—they will have had that training. This is going to be the consequence of keeping down the defense budget that this administration is reflecting because of its fiscal proposal of a tax cut so large that it is going to absorb all of the projected surplus—and, by the way, that may never materialize—over the next decade.

If you cut the defense budget too severely, you are suddenly going to have systems that have not been upgraded and we will have unsafe planes and ships. That is simply a consequence that I don't think is in the interest of this country. After all, one of the main reasons for a national Federal Government is to provide for the common defense. So we are starting to see the ripple effects of this proposed fiscal pol-

icy. Why can't this fiscal policy instead be one that is balanced with a substantial tax cut?

The question is not a tax cut or not; the question is how large should the tax cut be? That is where I argue for balance, so that we have a substantial tax cut balanced with the increased spending needs. And I have just given one example of defense.

To give you another example, strengthening the Social Security fund; another example is modernizing Medicare with a prescription drug benefit; to give another example, increased investment in education. I have just listed only four additional areas. In this time of prosperity and budget surpluses, if we are fiscally disciplined, and if we are fiscally conservative, then we can meet all of the needs in a budget that will be balanced and that will protect the investment and spending needs as well as returning part of the surplus in the form of a tax cut.

We have seen the charts offered by the Congressional Budget Office as to the projected surplus. I likened it, from my old position as the State fire marshal in Florida, to a fireman's hose. When that fireman takes that hose into a fire and he starts turning the nozzle, it first goes into fog, a light spray, and then increasingly, as you turn the nozzle, it goes into a straight stream of water.

The charts we saw by the CBO projecting what the surplus would be over the next 10 years look like the spray coming off of a fireman's hose. For the chart with a line up to the present showing what the surplus is today, as you project it over 10 years, the range is from a huge surplus 10 years out to no surplus at all 10 years out indeed, into deficit. That is the inaccuracy of forecasting that CBO has admitted is truth.

They also stated to us in the Budget Committee that the projected surplus—60 percent of it—will not materialize until the last 5 years of the 10-year period—all the more increasing the uncertainty of what is going to be available.

So my plea to our colleagues, Madam President, is to let us be conservative in our planning, let us be fiscally disciplined and not fall back into the trap that I personally experienced when I voted for the Reagan tax cuts in 1981 and suddenly realized that I had made a mistake—and the country at large understood that it was a mistake—because the cut was so big, we had to undo it in the decade of the 1980s not once but three times. It had run us into such deficits in the range of about \$20 billion at the end of the decade of the 1970s to deficits that were in excess of \$300 billion per year by the end of the decade of the 1980s. In other words, the Government of the United States was spending \$300 billion more each year than it had coming in in revenue, and that was getting tacked on to the national debt, which is what took us from a debt in the 1970s in the range of \$700